

# Proposal

License #: 77049

**PHOENIX DISTRICT**

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To: John Albert  
Facility Maintenance Director  
Crane Schools  
4240 West 16th Street  
Yuma, AZ 85364

Phone: 928-373-3490

Email:

Model: WMC Compressor

Date: August 7, 2013

Site Name: Valley Horizon Elementary School

Description: Compressor install for WMC

Proposal #: SR-RR080713

**McQuay Factory Service respectfully submits the following solution for your review and approval:**

We will provide labor and materials to perform the following:

- Provide labor and materials to install (1) Turbocor TT300 compressor on WMC McQuay Chiller.
- Start up, test and run.
- Compressor includes 1 year parts only warranty.
- Lead time 5-7 days freight included
- Option for 2-5 year extended warranty \$18,130.76.

Feel free to contact me if you have any questions or concerns regarding the information contained in this proposal. If you would like us to proceed with the solution presented above, sign the acceptance line below (including PO# if applicable) and return a copy by fax or mail so that we can begin to mobilize our efforts to complete the project as quickly as possible. We appreciate the opportunity to provide you with this solution and look forward to working with you on this and other projects in the future.

Sincerely,  
McQuay Factory Service

Rosanne Raichl  
Service Solutions Representative  
Ph: 602-315-1970  
Fax: 602-997-0670  
Email: Rosanne.raichl@mcquay.com

**Phoenix Service**  
2330 W. Mission Lane, #15  
Phoenix, AZ 85021  
Phone (602) 997-0622  
Fax (602) 997-0670

**McQuay**<sup>™</sup>  
Air Conditioning  
Factory Service

# Proposal

## PHOENIX DISTRICT

### Exceptions/Exclusions:

1. All work to be performed during "Normal Working Hours".

This proposal expires on: **September 6, 2013**

### Investment Amount and Billing Terms:

<u>Total Investment Required to Implement the Proposed Solution</u>	
<b>\$27,452.91</b>	<i>Tax not included</i>

### Billing/Payment Terms\*:

*Billed in full, upon completion*

\*All billings are due immediately upon receipt

Pricing and acceptance are based upon the Terms and Conditions which are attached.

This proposal is being submitted by McQuay International (hereinafter also referred to as "McQuay Factory Service".)

### Accepted By:

**Crane Schools**

**John Albert**

(Full Legal Name of Customer)

  
(Signature)

**Facility Maintenance Director**

(Title)

Date:


8-7-13

### Submitted By:

**McQuay Factory Service**

**Rosanne Raichl**

(Full Legal Name of McQuay Factory Service Representative)

  
(Signature)

**Service Solutions Representative**

(Title)

Date:

August 7, 2013

Customer PO # :

**Phoenix Service**  
2330 W. Mission Lane, #15  
Phoenix, AZ 85021  
Phone (602) 997-0622  
Fax (602) 997-0670

**McQuay**<sup>TM</sup>  
**Air Conditioning**  
**Factory Service**

## McQuay Factory Service TERMS & CONDITIONS

1. This Standard Service Proposal or Maintenance Agreement (hereinafter sometimes referenced as "Agreement"), upon acceptance by the Customer, is made solely on the terms and conditions hereof, notwithstanding any additional or conflicting conditions that may be contained in any purchase order or other form of Customer, all of which additional or conflicting terms and conditions are hereby rejected by McQuay Factory Service. Further, you acknowledge and agree that any purchase order issued by you in accordance with this Agreement will only establish payment authority for your internal accounting purposes. Any such purchase order will not be considered by us to be a counteroffer, amendment, modification, or other revision to the terms of this agreement. No waiver, alteration or modification of the terms and conditions herein shall be valid unless made in writing and signed by an authorized representative of McQuay Factory Service.
2. This Maintenance Agreement or Standard Service Proposal is subject to acceptance by the Customer within 30 days from date shown on the quote, unless specified otherwise. Prices quoted are for services, labor, and material as specified in this Proposal. If acceptance of this Maintenance Agreement or Standard Service Proposal is delayed or modified, prices are subject to adjustment.
3. Terms of payment are subject at all times to prior approval of McQuay Factory Service's credit department. Terms of payment are net upon receipt of invoice unless previously otherwise agreed in writing. Should payment become more than 30 days delinquent, McQuay Factory Service may stop all work under this Agreement or terminate this Agreement with five (5) days written notice to Customer. McQuay Factory Service reserves the right to add to any account outstanding more than 30 days interest at 1 1/4% per month or the highest rate allowed by law. In the event of default in payment, Customer agrees to pay all costs of collection incurred by McQuay Factory Service including, but not limited to, collection agency fees, attorney fees and court costs. Additional services may be performed upon request at a price to be determined, subject to these Terms and Conditions.
4. In the event that McQuay Factory Service determines, during the first thirty (30) days of any Maintenance Agreement or upon seasonal start-up (discovery period) that any equipment covered under this Agreement in need of repair and/or replacement, McQuay Factory Service shall inform Customer of the equipment condition and remedy. McQuay Factory Service shall not be responsible for the present or future repair and/or replacement or operability of any specific equipment; until such time as the equipment is brought up to an acceptable condition or the Customer removes the unacceptable system(s), component(s), or part(s) from this contract.
5. Any Maintenance Agreement price is subject to adjustment once each calendar year, effective on the anniversary date, for changes in labor, subcontractor and material costs. The customer shall receive forty-five (45) days prior written notice of such adjustment unless specifically excluded otherwise in writing.
6. A Maintenance Agreement may be terminated: (i) by either party upon the anniversary date hereof; provided however, that written notice of such termination must be given to the non-terminating party at least thirty (30) days prior to the anniversary date; (ii) by McQuay Factory Service upon five (5) days prior written notice to Customer, in the event that any sums or monies due or payable pursuant to this Agreement are not paid when due or in the event that additions, alterations, repairs or adjustments are made to the system or equipment without McQuay Factory Service's prior approval; (iii) by either party, in the event that the other party commits any other material breach of this Agreement and such breach remains uncured for ten (10) business days, after written notice thereof. If a Maintenance Agreement is terminated for any reason, other than a material breach by McQuay Factory Service, Customer shall pay, in addition to all sums currently due and owing, the entire remaining balance due for the term of the Maintenance Agreement, or an amount equal to time and materials expended for the year, whichever is less. Notices required hereunder shall be sent via Certified U.S. Mail, Return Receipt Requested and provided that such notice is postmarked by the required date, such notice shall be deemed properly given.
7. Unless Customer provides appropriate documentation of tax exemption, Customer shall pay McQuay Factory Service, in addition to the contract price, the amount of all excise, sales, use, privilege, occupation or other similar taxes imposed by the United States Government or any other National, State or Local Government, which McQuay Factory Service is required to pay in connection with the services or materials furnished hereunder. Customer shall promptly pay invoices within 30 days of receipt. Should payment become more than 30 days delinquent, McQuay Factory Service may stop all work under this Agreement or terminate this Agreement as set forth in paragraph 6 herein above.
8. Any and all costs, fees and expenses arising from or incurred in anticipation of any federal, state, county, local or administrative statute, law, rule, regulation or ordinance (collectively "Governmental Regulations") directly or indirectly requiring that refrigerant other than the type of refrigerant currently being utilized in connection with the equipment subject to this Agreement be used, shall be borne solely by Customer. In this regard, McQuay Factory Service shall not be required to bear any expense in connection with the modification, removal, replacement or disposal of any refrigerant in response to any Governmental Regulation designed to reduce or eliminate the alleged environmental hazards associated with the refrigerant.
9. The contract price stated herein is predicated on the fact that all work will be done during regular working hours of regular working days unless otherwise specified. If for any reason Customer requests that work be performed other than during regular working hours or outside the scope of services specified hereunder, Customer agrees to pay McQuay Factory Service any additional charges arising from such additional services, including but not limited to premium pay, special freight or other fees or costs associated therewith.
10. Customer shall be responsible for all costs, expenses, damages, fines, penalties, claims and liabilities associated with or incurred in connection with any hazardous materials or substances, including but not limited to asbestos, upon, beneath, about or inside Customer's equipment or property.

Title to, ownership of, and legal responsibility and liability for any and all such hazardous materials or substances, shall at all times remain with Customer. Customer shall be responsible for the removal, handling and disposal of all hazardous materials and substances in accordance with all applicable Governmental Regulations. Customer shall defend, indemnify, reimburse and hold harmless McQuay Factory Service and its officers, directors, agents, and employees from and against any and all claims, damages, costs, expenses, liabilities, actions, suits, fines and penalties (including without limitation, attorneys' fees and expenses) suffered or incurred by any such indemnified parties, based upon, arising out of or in any way relating to exposure to, handling of, or fees and expenses) suffered or incurred by any such indemnified parties, based upon, arising out of or in any way relating to exposure to, handling of, or disposal of any hazardous materials or substances, including but not limited to asbestos, in connection with the services performed hereunder. McQuay Factory Service shall have the right to suspend its work at no penalty to McQuay Factory Service until such products or materials and the resultant hazards are removed. The time for completion of the work shall be extended to the extent caused by the suspension and the contract price equitably adjusted. McQuay Factory Service reserves the right to engage others in a subcontractor status to perform the work hereunder.

11. Customer agrees to provide McQuay Factory Service personnel with the usual required utilities (water, electricity, compressed air, etc.) and special tools and equipment normally used for such services unless restricted specifically in the quote. Customer agrees to ensure that sufficient service access space is provided. McQuay Factory Service shall not be held liable for failure or damage to any equipment caused by power interruptions, single phasing, phase reversal, low voltage, or other deficiencies beyond the control of McQuay Factory Service.
12. This agreement does not include responsibility for design of the system (unless specifically included), obsolescence, electrical power failures, low voltage, burned-out main or branch fuses, low water pressure, vandalism, misuse or abuse of the system(s) by others (including the Customer), negligence of the system by others (including the Customer), failure of the Customer to properly operate the system(s), or other causes beyond the control of McQuay Factory Service.
13. In the event that McQuay Factory Service is required to make any repairs and/or replacements or emergency calls occasioned by the improper operation of the equipment covered hereby, or any cause beyond McQuay Factory Service's control, Customer shall pay McQuay Factory Service for the charges incurred in making such repairs and/or replacements or emergency calls in accordance with the current established McQuay Factory Service rates for performing such services.
14. McQuay Factory Service shall not in any event be liable for failure to perform or for delay in performance due to fire, flood, strike or other labor difficulty, act of God, act of any Governmental Authority or of Customer, riot, war, embargo, fuel or energy shortage, wrecks or delay in transportation, inability to obtain necessary labor, materials, or equipment from usual sources, or due to any cause beyond its reasonable control. In the event of delay in performance due to any such cause, the date of delivery or time of completion will be extended by a period of time reasonably necessary to overcome the effect of such delay. If the materials or equipment included in this Proposal become temporarily or permanently unavailable for reasons beyond the control of McQuay Factory Service, McQuay Factory Service shall be excused from furnishing said materials or equipment and be reimbursed for the difference between cost of materials or equipment unavailable and the cost of an available reasonable substitute.
15. MCQUAY FACTORY SERVICE SHALL NOT IN ANY EVENT BE LIABLE TO THE CUSTOMER OR TO THIRD PARTIES FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PRODUCTION, LOSS OF USE OR LOSS OF PROFITS OR REVENUE ARISING FROM ANY CAUSE WHATSOEVER INCLUDING, BUT NOT LIMITED TO ANY DELAY, ACT, ERROR OR OMISSION OF MCQUAY FACTORY SERVICE. IN NO EVENT WILL MCQUAY FACTORY SERVICE'S LIABILITY FOR DIRECT OR COMPENSATORY DAMAGES EXCEED THE PAYMENT RECEIVED BY MCQUAY FACTORY SERVICE FROM CUSTOMER UNDER THE INSTANT AGREEMENT.
16. McQuay Factory Service extends the manufacturer's warranties on all parts and materials and warrants labor to meet industry standards for a period of thirty (30) days from the date performed, unless a longer duration is expressly stated elsewhere in this Agreement. McQuay Factory Service expressly limits its warranty on Customer's Equipment to cover only that portion of Equipment which had specific service work done by McQuay Factory Service. These warranties do not extend to any Equipment or service which has been repaired by others, abused, altered, or misused, or which has not been properly maintained. THESE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY AND FITNESS FOR SPECIFIC PURPOSE, WHICH ARE HEREBY SPECIFICALLY DISCLAIMED.
17. Each of us agrees that we are responsible for any injury, loss, or damage caused by any negligence or deliberate misconduct of our employees or employees of our subcontractors. If any of our employees or those of our subcontractors, cause any injury, loss or damage in connection with performing their duties under this agreement, the responsible party will pay for all costs, damages, and expenses, which arise. Each of us agrees to defend and hold harmless the other party, its officers, directors and employees, from and against all claims, damages, losses and expenses, including but not limited to attorney's fees and court costs, arising out of or resulting from the performance of work hereunder, to the extent that such claim, damage, loss, or expense is caused by an active or passive act or omission of the indemnifying party or anyone directly or indirectly employed by that party, or anyone for whose acts that party may be liable.
18. This Agreement shall be binding upon and inure to the benefit of each party's respective successors, assigns and affiliates. This Agreement is governed by and construed in accordance with the laws of the State of Minnesota.

Revised 10/28/10